



USDA Foreign Agricultural Service

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## Korea, Republic of

### Grain and Feed

### Wheat PS&D Update

### 2003

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**Report Highlights:**

Korean feed wheat imports are expected to be halved in MY 2003/04 due to lower exportable supplies.

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Includes PSD Changes: Yes  
Includes Trade Matrix: Yes  
Unscheduled Report  
Seoul [KS1]  
[KS]

FAS/Seoul estimates MY 2003/04 Korean wheat imports at 3 million metric tons (MMT) reflecting Korea's sharp reductions in feed wheat imports. During the first three months of MY 2003/04, feed wheat imports on a customs cleared basis amounted to 317,000 MT compared to 355,000 MT for the first three months of MY 2002/03. Korean importers have reportedly contracted (so far) for only 217,000 tons for October 2003-January 2004 delivery which is roughly 150,000 MT less than contracts in place last year for the same period.

Lower contract quantities for feed wheat reinforce reports from traders and feed millers that feed wheat availabilities from Korea's usual sources have tightened considerably. Traders also report that feed wheat offering prices available to the Korean market are relatively unattractive compared to corn prices (although there is some question about availability of Chinese corn). Accordingly, Korean feed wheat imports are expected to be limited to .75 MMT for MY 2003/04 compared to 1.67 MMT in MY 2002/03. Feed wheat imports are expected to be supplemented by stocks resulting in usage of feed wheat for compound feed production of .80 MMT. Feed wheat use in MY 2002/03 amounted to 1.628 MMT according to Korean government and industry reports.

MY 2003/04 milling wheat imports (and consumption) are expected to be maintained at 2.25 MMT. Imports of U. S. milling wheat are expected to reach 1.3 MMT in MY 2003/04. Korean flour millers have indicated that Australian wheat will also be attractive for use in lowering protein levels of wheat flour for noodle and confectionary production.

FAS/Seoul has also revised MY 2002/03 wheat import and consumption estimates based on official data.

## PSD Table

Country Commodity	Korea, Republic of Wheat						UOM
	2001 USDA Official [1	Revised Estimate [1	2002 USDA Official [1	Estimate [1	(1000 HA)(1000 MT) 2003 Forecast Estimate [1	(1000 HA)(1000 MT) 2003 Forecast Estimate [1	
Market Year Begin	07/2001	07/2001	07/2002	07/2002	07/2003	07/2003	MM/YYYY
Area Harvested	1	1	2	1	2	2	(1000 HA)
Beginning Stocks	1050	529	1100	617	931	659	(1000 MT)
Production	3	3	6	6	6	6	(1000 MT)
TOTAL Mkt. Yr. Imports	3979	3867	4000	3936	3100	3000	(1000 MT)
Jul-Jun Imports	3979	3867	4000	3936	3100	3000	(1000 MT)
Jul-Jun Import U.S.	1210	1295	0	1272	0	1300	(1000 MT)
TOTAL SUPPLY	5032	4399	5106	4559	4037	3665	(1000 MT)
TOTAL Mkt. Yr. Exports	122	0	125	0	100	0	(1000 MT)
Jul-Jun Exports	122	0	125	0	100	0	(1000 MT)
Feed Dom. Consumption	1497	1415	1750	1628	750	800	(1000 MT)
TOTAL Dom. Consumption	3810	3782	4050	3900	3050	3050	(1000 MT)
Ending Stocks	1100	617	931	659	887	615	(1000 MT)
TOTAL DISTRIBUTION	5032	4399	5106	4559	4037	3665	(1000 MT)

## Import Trade Matrix

**Country** Korea, Republic of

**Commodity** Wheat

Time period	July/June	Units:	1,000MT
Imports for:	<b>2001</b>		2002
U.S.	1295	U.S.	1272
Others		Others	
Australia	975	Australia	1012
Canada	295	Canada	123
Ukraine	496	Ukraine	617
China	592	China	572
India	206	India	183
		EU	45
		Russia	108
Total for Others	2564		2660
Others not Listed	5		4
Grand Total	3864		3936

Source: Korea Customs Service

Korea: Wheat Imports (1,000 MT, Customs Cleared Basis)			
Marketing Year (July/June)	Feed	Flour	Total
95/96	272	2,235	2,507
96/97	1,197	2,253	3,450
97/98	1,717	2,200	3,917
98/99	2,453	2,237	4,690
99/00	1,304	2,479	3,783
00/01	691	2,410	3,101
01/02	1,498	2,369	3,867
02/03	1,669	2,267	3,936
03/04 a/	750	2,250	3,000

a/ FAS/Seoul forecast

Source: Korea Customs Service

Korea: Post Estimates of Wheat Use (1,000 MT, July/June)				
Year	2000/01	2001/02	2002/03	2003/04 a/
Milling Wheat	2,475	2,366	2,272	2,250
Feed Wheat	820	1,415	1,628	800
Total	3,295	3,779	3,900	3,050

a/ FAS/Seoul forecast

Source: Korean Feed Association (KFA)

Korean Flour Millers Industry Association (KOFMIA)